



Bureau of Industry and Security

Docket No. 220916-0192

RIN 0694-XC091

Request for Public Comments on the Potential Market Impact of the Proposed Fiscal Year 2024 Annual Materials Plan from the National Defense Stockpile Market Impact Committee

AGENCY: Bureau of Industry and Security, Department of Commerce.

ACTION: Notice of inquiry; request for comments.

SUMMARY: The National Defense Stockpile Market Impact Committee, co-chaired by the Departments of Commerce and State, is seeking public comments on the potential market impact of proposed changes of the Fiscal Year (FY) 2024 Annual Materials Plan (AMP). Potential changes to the AMP are decided by the National Defense Stockpile Market Impact Committee who advise the Defense Logistics Agency in its role as the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions, conversions, and disposals involving the National Defense Stockpile.

DATES: To be considered, written comments must be received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submissions: You may submit comments, identified by docket number BIS-2022-0024 or RIN 0694-XC091, through the Federal eRulemaking Portal: [https://](https://www.regulations.gov)

www.regulations.gov. To submit comments via [https:// www.regulations.gov](https://www.regulations.gov), enter the docket number BIS-2022-0024 on the home page and click “Search.” The site will provide a search results page listing all documents associated with this docket. Find a reference to this notice and click the button entitled “Comment.” Further Instructions on how to submit a comment on [regulations.gov](https://www.regulations.gov) can be found on the FAQ page. BIS also requests commenters review the instructions in the Additional Instructions for Comments section further in this notice. BIS, as the publisher of the notice, will be receiving the comments and disseminating them to the National Defense Stockpile Market Impact Committee. While BIS encourages the submissions of comments via [https:// www.regulations.gov](https://www.regulations.gov), comments may also be submitted via email to the following: Katherine Reid, U.S. Department of Commerce, Bureau of Industry and Security, Office of Strategic Industries and Economic Security, e-mail: MIC@bis.doc.gov. All comments submitted through e-mail to Commerce must include the phrase “Market Impact Committee Notice of Inquiry” in the subject line and will be added to the docket on [regulations.gov](https://www.regulations.gov). Public comments are an important element of the Committee's market impact review process.

FOR FURTHER INFORMATION CONTACT: Marina Youssef, Office of Strategic Industries and Economic Security, Bureau of Industry and Security, U.S. Department of Commerce, telephone: (202) 482-3504, (Attn: Marina Youssef), e-mail: MIC@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

The federal government operates several different stockpiles, and these are managed by different federal agencies depending on the stockpile’s purpose. For example, the Department of Health and Human Services (HHS) manages the Strategic National Stockpile, which contains medicines and medical equipment. HHS’ stockpile can supplement medical countermeasures

needed by states, tribal nations, territories and the largest metropolitan areas during public health emergencies. Another example, the Department of Energy operates the Strategic Petroleum Reserve for use when the international oil market is severely disrupted.

The Department of Defense (DOD) maintains a stockpile of critical and strategic materials known as the National Defense Stockpile (NDS). In a war or national emergency, this stockpile is meant to provide strategic and critical materials to support national defense and essential civilian requirements in a time of national emergency. The stockpile currently contains 57 materials, primarily minerals, that are deemed strategic and critical to national security.¹

Under the authority of the Strategic and Critical Materials Stock Piling Revision Act of 1979, as amended (the Stock Piling Act) (50 U.S.C. § 98 *et seq.*), the Department of Defense's Defense Logistics Agency (DLA) is the National Defense Stockpile Manager. The NDS is a strategic stockpile, not an economic stockpile. It is not intended to influence prices in the market or insulate private industry from supply shocks. Rather, its purpose is to ensure the defense and essential civilian industrial base has consistent access to the materiel it needs—and the private industries making products have the raw materials they need—in war or national emergency.

Congress authorizes the sale of excess materials in the stockpile, and proceeds of the sales are transferred to the National Defense Stockpile Transaction Fund. The NDS does not receive annual appropriations in the defense budget—neither for new purchases of materials nor for operations expenses. Instead, the stockpile has a revolving fund in the US Treasury called the National Defense Stockpile Transaction Fund.² Whenever materials in the stockpile are

¹ Defense Logistics Agency, "Strategic Materials: Office," U.S. Department of Defense, <https://www.dla.mil/HQ/Acquisition/StrategicMaterials/About/>

² Strategic and Critical Materials Stock Piling Revision Act of 1979, Public Law 96-41, p. 5

sold, the proceeds of that sale are added to the fund. The DLA then uses that money to pay for the operational expenses of maintaining the stockpile and to purchase new materials. Information about stockpile transactions—what was bought, what was sold, at what value it was sold—is publicly available in annual and monthly reports published by DLA.³

Section 3314 of the National Defense Authorization Act for Fiscal Year 1993 (FY 1993 NDAA) (50 U.S.C. § 98h-1) formally established a Market Impact Committee (the Committee) to “advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions and disposals of materials from the stockpile....” The Committee must also balance market impact concerns with the statutory requirement to protect the U.S. Government against avoidable loss. *See* 50 U.S.C. § 98e (b)(2).

The Committee is comprised of representatives from the Departments of Commerce, State, Agriculture, Defense, Energy, Interior, the Treasury, and Homeland Security. The FY 1993 NDAA directs the Committee to consult with industry representatives that produce, process, or consume the types of materials stored in the Stockpile as the National Defense Stockpile Manager, the DLA must produce an Annual Materials Plan (AMP) proposing the maximum quantity of each listed material that may be acquired, disposed of, upgraded, converted, recovered, or sold by the DLA in a particular fiscal year. With this notice, Commerce, on behalf of DLA, lists the quantities and types of activity--potential disposals, potential acquisitions, potential conversions (upgrade, rotation, reprocessing, etc.) or potential recovery (from government sources) --associated with each material in its proposed FY 2024 AMP.

The quantities listed in Attachment 1 are not acquisition, disposal, upgrade, conversion, recovery, reprocessing, or sales target quantities, but rather a statement of the proposed

³ Strategic Materials Reports (dla.mil)

maximum quantity of each listed material that may be acquired, disposed of, upgraded, converted, recovered, or sold in a particular fiscal year by the DLA. The quantity of each material that will actually be acquired or offered for sale will depend on the market for the material at the time of the acquisition or offering, as well as on the quantity of each material approved by Congress for acquisition, disposal, conversion, or recovery.

Additional Instructions for Comments

The Committee is interested in any supporting data and documentation on the potential market impact of the quantities associated with the proposed FY 2024 AMP.

While regulations.gov allows users to provide comments by filling in a “Type Comment” field or by attaching a document using an “Upload File” field, BIS prefers comments be provided in an attached document – preferably in Microsoft Word (.doc) or Adobe Acrobat (.pdf). If the submission is in an application format other than Microsoft Word or Adobe Acrobat, please indicate the name of the application in the “Type Comment” field. Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter within the comments. Please include any exhibits, annexes, or other attachments in the same file, so the submission consists of one instead of multiple files. All filers should name their files using the name of the person or entity submitting the comments.

Submitted materials properly marked as business confidential information with a valid statutory basis for confidentiality and which is accepted as such by BIS will not be disclosed publicly. Commenters submitting business confidential information should clearly identify the business confidential portion at the time of submission, include a statement justifying nondisclosure and referring to the specific legal authority claimed with the submission, and provide a non-confidential version of the submission which will be placed in the public file on <https://www.regulations.gov>. For comments containing business confidential information, the

file name of the business confidential version should begin with the characters “BC”. Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page. The file name of the non-confidential version should begin with the character “P”. The non-confidential version must be clearly marked “PUBLIC” on the top of the first page. The “BC” and “P” should be followed by the name of the person or entity submitting the comments.

The Office of Administration, Bureau of Industry and Security, U.S. Department of Commerce, displays public comments on the BIS Freedom of Information Act (FOIA) website at <https://efoia.bis.doc.gov/>. This office does not maintain a separate public inspection facility. If you have technical difficulties accessing this website, please call BIS's Office of Administration at (202) 482-1900 for assistance.

Thea D. Rozman Kendler,

Assistant Secretary for Export Administration.

Attachment 1

PROPOSED FISCAL YEAR 2024 ANNUAL MATERIALS PLAN

Potential Disposals

Material	Unit	Quantity	Footnote
Beryllium Metal	ST	8	
Carbon Fibers		Lbs	98,000
Chromium, Ferro	ST	24,000	
Chromium, Metal	ST	500	
Germanium	kg	5,000	
Manganese, Ferro	ST	50,000	
Manganese, Metallurgical Grade	SDT	322,238	1/
Aerospace Alloys	Lbs	1,500,000	
Platinum	Tr Oz	8,380	1/
PGM – Iridium	Tr Oz	489	1/
Quartz Crystals	Lbs	15,759	1/
Tantalum	Lbs	190	1/
Tin	MT	640	

Titanium Based Alloys	Lbs	1,000,000	
Tungsten Ores and Concentrates	Lbs W	2,000,000	1/
Zinc	ST	2,500	

Potential Acquisitions

Material	Unit	Quantity	
Aluminum (High Purity)	MT	17,000	
Aluminum Alloys	MT	1,500	
Antimony	MT	1,100	
Cadmium Zinc Telluride	EA	1,000	
Cerium	MT	550	
Electrolytic Manganese Metal	MT	5,000	
Energetics	Lbs	20,000,000	
Ferroniobium	Lbs Nb	300,000	
Grain Oriented Electric	MT	3,200	
Iso-Molded Graphite	MT	1,300	
Lanthanum	MT	1,300	
Magnesium	MT	3,500	
Neodymium-Praseodymium Oxide	MT	300	
NdFeB Magnet Block	KG	286,000	
Rayon	MT	600	
Samarium-Cobalt Alloy	MT	200	
Tantalum	Lbs Ta	53,000	
Tire Cord Steel	MT	2,370,000	
Titanium	ST	15,000	
Tungsten	Lbs W	587,000	
Zirconium	MT	230	

Potential Conversions (Upgrade, rotation, reprocessing, etc.)

Aerospace Alloys	Lbs	50,000
Antimony	Lbs	198,000
Beryllium Metal	ST	8
CZT (Cadmium Zinc Tellurium substrates)	EA	1,000
Carbon Fibers	Lbs	5,000
Europium	MT	35
Germanium	kg	5,000
Iridium Catalyst	Lbs	200
Lithium Ion Materials	MT	25
Rare Earths Elements	MT	12
Silicon Carbide Fibers	Lbs	875
Triamino Trinitrobenzene (TATB)	Lbs	48,000

Potential Recovery from Government sources

Aerospace Alloys	Lbs	1,500,000	
Battery Materials	MT	50	
Boron Carbide	MT	300	
Cobalt	Lbs	50,000	
E-Waste	MT	100	2/
Germanium	kg	5,000	
Iridium Catalyst	Lbs	200	
Magnesium Metal	MT	25	
Rare Earths	Lbs	20,000	
Tantalum	MT	10	
Yttrium Aluminum Garnet Rods	kg	250	

Footnote Key:

1/ Actual quantity will be limited to remaining excess inventory.

2/ Strategic and Critical Materials collected from E-Waste (Strategic Materials collected from electronics waste).

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